



WIND AND HAIL UPDATE

South Carolina Wind And Hail
Underwriting Association
P. O. Box 407
Columbia, SC 29202

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06-01

BINDER QUESTIONS

The Association offers binders for mortgage closings where there is a property transfer and a financial institution involved. Recently, producers have had a number of questions about the procedures. We want to share the more common questions and answers with you.

When was the binder for closing process implemented?

January 15, 1995. It is the same point in time when the hurricane restriction was eliminated and the 15 day waiting period implemented.

You did not honor the closing date for coverage. Why?

You missed the first step. It is important to fax a binder request form to the Association ***in advance*** of the closing.

Binder forms can be downloaded from www.scwind.com.

We requested a binder, but you did not honor the closing date. Why?

When you sent in the application, pictures, and premium check, you did not include a copy of the binder form. Our staff assumed that this was a new business submission and applied the 15 day waiting period.

Another reason could be the failure to include a copy of the signed (by buyer and seller) and dated closing papers (HUD settlement statement).

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Can you give us a checklist for binders?

Please remember . . .

- Request binder in advance
- Must have property transfer
- Mortgage closing with financial institution
- Time period of at least ten years
- Must finance at least 50% of the value of the property
- Include binder with application, pictures, check, and signed / dated settlement statement (HUD form)

We understand that attorneys no longer require signed HUD statements for closings.

We have talked to several real estate attorneys along the coast and in Columbia. They were not familiar with any such changes by HUD.

Are cash closings eligible for binders?

No. The binder process requires the use of a financial institution.

For more information on binders, waiting periods, and grace periods, please attend a Wind and Hail Update Seminar.

What if the closing date is changed?

Please contact the Association Office with the new date **prior** to the closing.

QUICK QUOTE

You can rate an application online by going to www.scwind.com. On the lower right hand side of the page is "Quick Quotes." Double click and you will be taken to the page to rate SC Wind policies.

PAY THE CE ADMINISTRATOR

All licensed producers should be receiving notices from Thomson Prometric (formerly Experior Assessments), the SC CE Administrator, in the mail in the coming weeks. These notices are sent to the producer's home address and include a request for payment for the CE administration fee and provide the number of carryover CE hours from the previous CE period.

These fees will be due May 1, 2006. Failure to pay the fees by the deadline will result in cancellation of the producer's license. This is NOT a SC Wind rule. It is SC law and is required of all licensed producers.